

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Settlement Agreement") is made and entered into as of January 10, 2024 between **Credibly of Arizona LLC** ("Credibly"), [REDACTED], [REDACTED] ("Merchant"), and [REDACTED]. Merchant and [REDACTED] may sometimes hereafter be collectively referred to as ("Defendants"). Credibly and Defendants may sometimes hereafter be collectively referred to as (the "Parties").

Whereas, the Merchant entered into that certain Business Loan and Security Agreement (the "Agreement") with Credibly on or about June 2, 2023.

Whereas, in consideration for execution of the Agreement, Merchant did grant Credibly a security interest in certain collateral which is evidenced by that certain UCC-1 with a file number [REDACTED] that was filed in the state of North Carolina on October 4, 2023.

Whereas Reid signed a personal guaranty promising to honor the payment and performance of the Merchant pursuant to the terms of the Agreement (the "Guaranty");

Whereas, the Defendants are and have been in default under the Agreement.

Whereas, on or about November 8, 2023 Credibly filed a Complaint against Defendants, for breach of the Agreement and Guaranty in the Superior Court for the state of Arizona in and for the county of Maricopa, case number [REDACTED] ("Lawsuit");

Whereas, the Summons and Complaint were duly served upon Defendants;

Whereas, the Parties have entered into this Settlement Agreement to resolve their disputes and avoid the time and expense of litigation; and

Now, therefore, in consideration of the foregoing, and for other good and valuable consideration, the sufficiency of which is hereby expressly acknowledged, the Parties covenant and agree as follows:

1. The Parties agree to immediately execute this Settlement Agreement and immediately execute and file that certain Stipulation Regarding Judgment and Execution Regarding Judgment (the "Stipulation") and Stipulated Judgment (the "Judgment") in the form attached hereto as Exhibit "A".

2. Defendants and Credibly wish to hereby set forth the terms upon which the Defendants will make certain payments to Credibly in satisfaction of the Judgment, in exchange for which payments Credibly covenants that it will not seek to execute upon the Judgment as against the Defendants.

3. Defendants covenant and agree that they shall make the following payments to Credibly, time being of the essence:

\$696.50 due weekly every Wednesday beginning on January 17, 2024 until the

amount of \$91,937.59 (the “Settlement Amount”) is paid in full.

4. There shall be a 7-day grace period for Credibly to receive the funds after the due date and in the event payments are not received timely, Credibly may declare the full balance due of \$108,531.68 minus any payments received and may pursue collection of that amount from Defendants.

5. So long as the Defendants make payments in satisfaction of the Judgment in accordance with the schedule set forth above, time being of the essence of each such payment, Credibly covenants that it will not seek to exercise any right, remedy, entitlement or relief, including but not limited to execution, attachment or garnishment, arising from or predicated upon the entry of the Judgment. However, in the event of any failure of the Defendants to make any one or more of the payments provided for above, in full, and if such failure continues for seven (7) calendar days after the date it becomes due, time being of the essence, all promises of Credibly hereunder shall be immediately null and void and Credibly may proceed immediately and without notice or demand to execute upon or otherwise enforce the Judgment (or any judgment arising from or predicated upon the entry of the Judgment) in such manner and at such times as Credibly deems appropriate – it being expressly understood that Credibly may proceed to enforce such Judgment in the full amount thereof, including accrued interest. In such event, the Defendants shall be entitled only to a credit against the Judgment for any amounts actually paid; any such payments being applied first to payment of interest then accrued upon the Judgment and the balance being then applied to the reduction of the principal amount of the Judgment.

6. Credibly will cause to file a Satisfaction of Judgment in the above referenced Lawsuit within 10 business days of clearance and verification of the last payment due in Paragraph 3 of this Settlement Agreement.

7. Each payment due from Defendants shall be in the form of a wire payment and addressed as follows.

Bank: Truist Bank  
303 Peachtree Street Northeast, Atlanta, GA 30308-3201  
Routing Transit/ABA #: 061000104  
Account # [REDACTED]  
Account Name: Retail Capital, LLC A/R Account  
\*Please reference Deal ID # [REDACTED]

8. **Entire Agreement.** This Settlement Agreement constitutes the entire agreement of the Parties. All other prior or contemporaneous agreements or understandings, verbal or written, are null and void. Furthermore, no modification of this Settlement Agreement shall be made except by written agreement signed by the Parties. This Settlement Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, personal representatives and assigns. This Settlement Agreement shall be governed by the laws of the State of Arizona.

9. **Severability.** The Parties acknowledge that by signing this Agreement, such party or parties are bound by the terms of this Agreement. Should any provision of this Settlement Agreement be unenforceable or invalid, such provision or provisions shall

be stricken and the remainder of the Settlement Agreement shall be construed and enforced as if not containing the offending provision(s).

10. **Voluntary Execution of Agreement.** The Parties hereby mutually acknowledge and represent and warrant that they have been fully advised by their respective legal counsel of their rights and responsibilities under this Settlement Agreement (or chose to proceed without counsel), that they have read, know, and understand completely the contents hereof and that they are fully aware of its contents and legal effect, and that they have voluntarily executed the same.

11. **Non-Disparagement.** Defendants represent that they have not made public any complaint about Credibly in writing or, if Defendants have made public a complaint about Credibly, Defendants will cause the complaint to be withdrawn and removed within seven (7) days of the execution of this Settlement Agreement. Defendants further represent that, to the extent Defendants made any complaints to Credibly, it promptly investigated and took appropriate action.

12. **Counterparts.** The Parties acknowledge and agree that this Settlement Agreement may be executed in any number of counterparts, all of which constitute the same instrument, and that any facsimile signature has the full force and effect of an original signature.

13. **Authority of Parties.** The persons executing this Settlement Agreement represent and warrant that they have the legal and institutional authority to do so on behalf of the person or legal entity for which they are signing.

Executed this 31 day of January, 2024.



Executed this 31 day of January, 2024.



Executed this 31 day of January, 2024.

**Credibly of Arizona LLC**

*Laraib Mughal*

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By: Laraib Mughal

Its: Authorized Agen